

SOCIAL ENTERPRISE AND COMPETITIVENESS

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Abstract. *This article seeks to sustain the social entrepreneurial phenomenon by providing a theoretical and an empirical background of the way that a NPO can increase the level of efficiency and efficacy. Social entrepreneurship increasingly plays a major role in the progress of society in the same way that entrepreneurship promotes progress in the economy. Because NGOs are related to the social entrepreneurship phenomenon, our research was conducted into this type of organization, highlighting the case of „Ajutorul Familiei Foundation” an independent socially oriented organization that focuses on community development at the regional level in Cluj county, Romania. This article reviews a variety of academic and popular sources in social entrepreneurship, nonprofit and business management, as well as public policy.*

Keywords: social enterprise, competitiveness, strategy, social mission.

1. Conceptual demarcations of Social Entrepreneurship

Since ancient times have been organizations focused on helping those in need. These organizations, sustain their activity based on the income sources and the help given by: donations (goods or financial), benefits from the government (tax exemption, taxes, grants), voluntary acts, which almost all the time is not enough. Therefore, depending on the possibilities and the areas of coverage, these organizations were involved also in commercial transactions. For example monasteries promoted trade with wine and cheese, schools requested education taxes, hospitals requested taxes, prisons were involved in community projects working against cost, etc.

Even if the term social entrepreneurship is new, we can say that the phenomenon is not new at all and it was manifested in all sectors. Numerous organizations with social goals appeared in various forms such as day centers for adults, kindergartens, social housing, training and placement centers, rehabilitation services, elderly care, ambulatory services for those with mental problems, alternative education for those rejected from schools, training centers, private prisons, universities in the private sector (Nicholls,2000).

Social entrepreneurship is a very controversial phenomenon that raises many questions. There are a large number of definitions of entrepreneurship awarded each highlighting different aspects of the entrepreneurial process, some with distinct

meanings and limits, but the most common criteria are related to social mission, risk taking and innovation.

Any intent to understand social entrepreneurship should start with an examination of fundamental concepts: „social” and „entrepreneurship”, having taken both separately and in relationship with one another. It is therefore essential to know the meaning of „social” in the context discussed, and how the objectives of social entrepreneurship differ from the commercial entrepreneurship. Social organizations have the goal to solve society problems compared with commercial entrepreneurship that has the main objective to create a business for profit. Using the term social along with entrepreneurship raises two questions: one conceptual and one empirical. So first question refers to delimitation of social goals and to the motivation that organization wants to achieve these objectives.

Social entrepreneurship has always existed, but the language of social entrepreneurship is a new one crystallized since 1980. Similarly we can say that the field of entrepreneurship is relatively new issue in empirical reason and therefore extremely controversial. Currently despite the increased importance of social entrepreneurship in addressing critical social issues (Nicolls, 2000,), we can say that the available data regarding this phenomenon is limited to case studies and instrumental analysis on the effectiveness and operational practices. Social entrepreneurship is addressed to social problems caused by the failure of public institutions in addressing social needs (Hartigan & Bilimoria, 2005). This social imbalance generates a constant need for systematic interventions.

The concept of social entrepreneurship has different meaning for different researchers. A group of researchers define social entrepreneurship as an initiative of a non-profit organization to find funding strategies or alternative management models to create social value (Boschee, 2001, Mowery, 1996). A second group of researchers understands it as a practice of social responsibility in business enterprises (Skillern, et al, 2003), when a third group sees social entrepreneurship as a mean to mitigate social problems and a catalyst for social transformation (Skloot, 1983, Chang, 2004).

Schumpeterian approach of social entrepreneurship emphasizes the role of innovative entrepreneur (McLaughlin, 1998). The social entrepreneur seeks to achieve social goals by developing new combinations of goods, services and methods, incorporating a high degree of innovation (Hatten, 2009).

Casson (1995:17) defined innovation as „high level entrepreneurship”, like discoveries that led to the creation of the chemical industry, the commercial exploitation of the colonies, the emergence of large companies. Located in the social context, the entrepreneurs are innovators of society, a definition accepted and used by many organizations supporting and funding social entrepreneurship.

Skoll Foundation who argue that unlike commercial entrepreneurs who find motivation in profit, social entrepreneurs are driven by a desire to help society, they are „agents of change in society by finding sources of opportunities that others skipped, through systems improvement, discovering new approaches and creating sustainable solutions, thus ensuring the necessary preconditions society progress”

(Evas&Carter, 2006). In other words, creativity, innovation, and ability to cope with difficult situations are the most relevant criteria of social entrepreneurs (Volkmann & Tokarski, 2009). The Skoll Foundation includes among entrepreneurship examples social figures such as Maria Montessori and Jane Addams, both revolutionizing social services in various sectors but without adopting a market oriented strategy. From this point what distinguishes social entrepreneurship from traditional social system is exactly the non-traditional (Oberfield, & Dees, 1991) caused by a confusing way to approach and seemingly disorderly social entrepreneurs, by being the first in adoption of innovative and nonconformist solutions. Starting from here the dominant feature of social entrepreneurship is innovation being subjected to systematic changes.

The definition most often cited of „social entrepreneurship” has been made by Professor J. Gregory Dees of Stanford University in 1998 (Anderson et al., 2006), but his essay contained a fundamental error. He highlighted several factors that define social entrepreneurship as adopting a mission to create and sustain social values (not just the private), recognition and tracking with a new fury occasions to serve that mission, engaging in a process of innovation, adaptation and continuous learning, boldness, making use of limited resources available in that time, displaying a high sense of responsibility towards the customers served and the results created / made and the manner of making the service. But he did not mention anything about the income provided by commercial activities developed in order to have sustainable social organisation which increases the degree of financial autonomy.

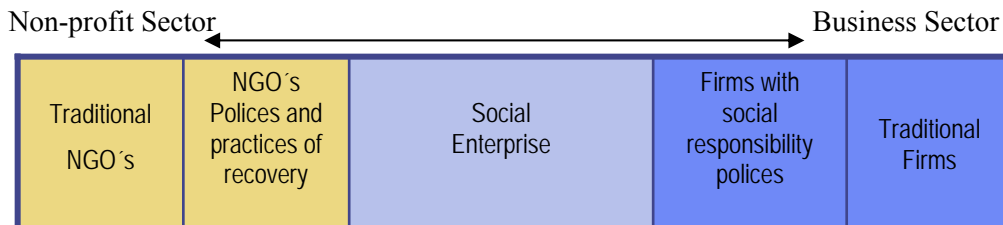
From our point of view we believe that social entrepreneurship can be characterized using the following criteria such as social problem, social mission, transparency, social impact, innovation, self-sustainability (et al., 2008).

A social enterprise is a business owned and conducted by civil society organizations: they generate financial returns and at the same time, promote social causes. Social enterprises is for civil society organizations a way to achieve financial stability and at the same time to have a significant social impact (Light, 1998).

The social enterprise is a hybrid model consisting of the emergence of business, commercial and the social, the non-profit field (Steier, 2000). Social enterprise is an organization that combines social practices to promote the social mission, without neglecting the importance of achieving efficient and effective goods and services. The social enterprise can have one or more owners that have control over the company while they are in charge of the company's earnings, which are not distributed as dividends but reinvested it in the social cause (Austin, 2000). Social enterprise is an essential part of economic growth, foster innovation, support development and create jobs, providing goods and services in the community, being created to serve the community and society as a whole. In addition to traditional methods of attracting financial resources, social enterprise can get help from philanthropic activities.

Changing expectations of non-profit organizations to achieve social impact on a large scale and at the same time, to diversify funding resources is considered to be

the source of such a hybrid. The emergence of the two sectors which enable the creation of social enterprises can be exemplified in Figure 1.



Source: Adapted from Nicholls, 2000, *Sustainable Social Change*, p. 12.

Figure 1. Social enterprise

Entrepreneurs defy social boundaries imposed by the public and private sectors. Currently there are numerous organizations that record profits, but many of them appear in the status of non-profit organizations.

Starting from the mission that distinguishes social entrepreneurship by a commercial business, we believe that in a capitalist economy in which every attempt to ensure a better life through the development of profitable activities, the chance to start a social business by the initiatives of a person that promotes social mission without following his own gain, is quite small. Thus we believe that philanthropic organizations are those that have a great chance to develop social enterprises, because social mission was established in the early stages and the commercial establishment was only a means to facilitate the support of social cause. It is an error placing this companies that create and sell products friendly with the environment or those that are making donations or social programs which are an extension of their main activity. We consider that the reason for that is that most of them have the aim to achieve a profit using a need and an opportunity given by the market, or a way to market the products, not necessarily to help. We believe that these companies are included in the category of firms that promote a CSR policy and not a social entrepreneurial one.

Romanian NGOs have the most important role in providing social services (72% of social service providers are registered in Romania NGOs) and representatives of these organizations seek solutions to financial independence. That is the reason why most of the non-profit organizations may also generate profits to finance their activities, often because the need for such services on the market is very high. According to executive director of CSDF Romania, Ionuț Sibiu, in Romania there are approximately 45,000 non-profit organizations, of which less than half are active¹. For the most part non-profit organizations in Romania that provide social services are financially supported by foreign organizations.

¹ http://www.comunicatedepresa.ro/LEADERS_Forum_2006_|_Antreprenoriat_Social

2. Objectives and methodology

The objective of this paper is to point out how the method used by Jerr Boschee can increase the competitiveness within a nonprofit organizations that want to use the advantages given by the social enterprise model (Boschee,1995). This model points out, based on the social and the economical components the way that this type of organization still can achieve social purpose as being the main aim of the organizations not being neglected the advantages given by developing a self-sustainable mechanism.

Maintaining a proper balance between social impact and financial sustainability is essential to social entrepreneurship. Jerr Boschee propose a model for identifying the incidence of both components in four steps. In this study we intend to analyze the competitiveness of the "Family Support" foundation programs, by following aspects such as seeking social impact, generating financial income in real terms, following organizational capacity to provide competitive services as well by supporting disadvantaged people segment. We believe that this organization is approaching the idealist model of social mission and we considered using evaluation as a method to study the model proposed by Jerr Bochee for social entrepreneurs.

Step I: Strategic Marketing Matrix

Step II: Market segmentation

Step III: Matrix analysis of competitiveness

Step IV: The market size

Step I: Strategic Marketing Matrix for social entrepreneurs

Strategic Marketing Matrix for social entrepreneurs is composed of two levels:

The first level: concerns the analysis of two components: social impact and financial result. Thus its aims are as follows:

- Programs with a social impact and financial result will be significantly expanded and deserves a large share of available resources.
- The social impacts of large but non-viable programs in financial terms, will develop.
- The effect of social minimum but positive financial income will be collected, and revenues so generated will be used for programs in development and expansion.
- Those who have a low impact both in terms of social and financial will be completed.

The second level: for detailing the two aims of a social enterprise - the social and financial contribution- it must go further and for that are required to use a series of questions:

- How many people in this market segment need a product or service, regardless of their ability to pay? And how critical is the need?
- What are the critical success factors associated with the design, development and supply of products or services for this segment?

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- What forces of the environment will play an important role? Will be positive or negative? How helpful or harmful will be? We have the ability to capitalize on the opportunities and threats to attenuated?
- Who are the primary competitors? How We Compare to them regarding critical success factors and strengths of the environment?
- What is the potential market size, in lei? And that is opportunity in the segment chosen? Is growing tired or declining?

Step II market segmentation

To be more effective in the process for resources allocation, non-profit, must focus on a market segment which is easily to be managed. Programs that are promising both in terms of financial impact and financial sustainability should be *extended*. The one that have high social impact but have not yet reached the financial viability must be *developed*. Programs with high financial income but low social impact should be the *harvest*, to generate resources for other programs, and those which have not an impact both socially and financially will be completed (Boschee, 2001). The programs that have to be expanded will receive about 50% - 70 % of the resources. The programs in development stage should have around 20% - 40% percent, and the rest will be provided to the programs that are in harvest stage.

Step III: Matrix analysis of competitiveness

Part three will examine some of the key questions that social entrepreneurs should make them a target market to determine which allocation strategy is appropriate. Which market should be expanded, developed, harvested or terminate?

Steps required using the matrix profile competition:

- Presents key success factors of market share and give them values based on their relative importance (their amount can be up to 100%)
- Identify major competitors of the company and classify them according to key success factors:
 - if a factor is a major missing rating is 1;
 - if a factor is missing a minor ratings is 2;
 - if a factor is a strength ratings is 3;
 - if a factor is a major strength rating is 4.
- Multiply the importance rating of each factor to obtain a weighted score and then add the score obtained by each competitor to get a weighted total score
- Results highlight the strongest organisation (firm, NPO, etc.) that are offering the same goods and services based on the chosen criteria.

Step IV: The market size

Computer market size for social entrepreneurs can be used to begin the process of quantification. Below you can see what it looks like a computer for each of the target markets.

- In the first column are identified every possible source of payment
- In the second column are calculated the number of users of the service offered

- The third column describes the permissions and restrictions associated to each source of payment.
- In the fourth column are the numbers that will multiply the first three columns.

The final result will be the determination of the organisation market size. In reality only a portion of this amount will be spent for sustaining the program meantime the rest remains available. Creating another table for the same market, but several years in advance will have a preliminary idea of the development market. Based on this model, the social entrepreneurs can be made a decision about the organization programs, related to the continuity for each of them.

3. Case study – Family Support Foundation

The „Family Support” Foundation is a non-governmental organization, founded in the city of Cluj-Napoca in 1996 by Rufus Why not, executive director of the organization. Organization's mission is to improve the quality of life and support disadvantaged people by providing training, education, health and social services, treatment and care, material aid and psychological support for disadvantaged people.

The annual budget ranges between € 20 000-60 000. Sources of funding shall consist of donations from individuals in the U.S., England and Austria as well as its own revenue.

In 2008, the Foundation's income was formed of: donations: 30 000€, dues members: 2 000€, income from commercial activity: 15 000€

The organization has 15 employees and operates a number of 100 volunteers during a year (students) who are involved in various activities. During the summer and on several occasions Foundation receives help from pupils/students in USA, Netherlands, Austria and England, which are actively sustained the projects.

The Foundation has in progress four programs being implemented and two programs that are in project stage. Each of these programs have the primary purpose of meeting social needs and at the same time identify ways to provide financial independence to fund both ongoing programs and future programs.

Presentation of Foundation programs and target markets:

- The body hygiene (Showers) – target market: members of the Roma community in the vicinity of the landfill waste of Cluj-Napoca (approximately 370 people).
- Services Beauty (Hairdresser) – target market: people in the area Calvaria bridge, Manaștur neighborhood, city Cluj-Napoca. (approximately 1,000 persons).
- Transport people – target market: members of the Roma community in the vicinity of the landfill waste Cluj-Napoca (approximately 370 people).
- Health care –target market members of the Roma community in the vicinity of the landfill waste Cluj-Napoca. (approximately 370 people).

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- Education for mothers raising young infants – the target market: members of the Roma community in the village Lunca Mures, jud Alba (about 40 people).
- Construction of wooden houses - target market: young families in rural area in the immediate vicinity of the city Cluj-Napoca (approximately 800 families).

3.1. Matrix analysis based on strategic marketing

Level 1:

Based on the results of each program there should be decided the following:

- Transport people, building wooden houses should be extended;
- Body hygiene, education of young mothers, health should be developed;
- Hairdresser should be harvested.

The analysis of the social impact, as compared with the financial results, is summarized in Table 1.

Table 1

The analysis of social impact and financial result, Level 1

Social Impact	Financial positive incomes	Financial negative incomes
Big social impact	– person transport – wood house construction	– body hygiene – young mother education – medical assistance
Small social impact	– hair saloon	

Level 2:

The analysis found that:

1. The body hygiene (Showers) - meet a critical need, so approximately 370 people benefit from this service and is promoting a healthy mentality against Roma hygiene. Existing the required conditions for the provision of the service (hot water in the quantity required, low operation costs, low costs with the maintenance of personnel) and annual revenues that could get 7 000 lei the upward trend, not having competitors.

2. Services adornment (Hairdresser) – meet needs of about 1000 people, can have an income with a potential increase of 180 000 annual. The social impact is low, providing jobs to only 4 people. However competition is large in area as a major impediment.

3. Transport people – to meet around 300 people a potential gain of 70 000 lei per year, with growth potential. Competition is represented by the taxi companies that have prices much higher.

4. Medical Assistance – meet critical needs for approximately 370 people offered by an appropriate medical personnel and by the existence of necessary medication. There is competition in the sector; the service is in project stage.

5. Mother education for raising young infants – beneficiaries are about 40 mothers. There is no competition in the field and it not provides revenue, but the program has a strong social character.

6. Construction of wooden houses-satisfying stringent needs of approximately about 800 families. The advantage lies in the project accessibility to cheap raw materials and skilled workers. Competition in this field is represented by the firms that have the same profile and which are a number o 3 in Cluj-Napoca. The project has provided income of 600 000 lei for 2008, with growth potential.

Table 2

The programs analyses based on strategic marketing matrix, *Level 2*

Social Impact	Significant potential profit	Modest potential profit	Modest potential loss	Significant potential lost
Critical social need		– body hygiene services		
Big social need	– persons transport – wood house construction		-mothers education -medical assistance	
Minimum social need		– beauty services		
No social need				

We differentiate between 3 types of programs, namely:

- Enlargement: transport people, building houses of wood, body hygiene
- Development: education of young mothers, health care
- Harvesting: hairdresser.

The body hygiene program has passed from development stage to enlargement because is satisfying a big social need. and as well can provide a modest profit as well.

3.2. Market segmentation

We chose different segments for each program depending on the age of the beneficiaries of the program.

Table 3

Market segmentation based on age criteria

	0-4	5-10	11-20	21-50	50+
Body hygiene		X	X	X	X
Beauty services		X	X	X	X
Persons transport		X	X	X	X
Young mother education			X		
Medical assistance	X	X	X	X	X
Wood house construction				X	

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For young mother education, it was chosen the segment of age between 11-20. This was because there was a critical need for supporting and giving information in order to decrease the risks of giving birth to infancy.

Market segmentation for each program, depending on the age recipients, results in a number of 19 programs analyzed based on their social impact and financial income, using the strategic management matrix.

Table 4

Segmented programs analyses based on strategic marketing matrix

	0-4	5-10	11-20	21-50	50+
Body hygiene		development	development	development	development
Beauty services		harvesting	harvesting	harvesting	end
Persons transport		development	extension	extension	end
Young mother education			development		
Medical assistance	development	development	development	development	development
Wood house construction				extension	

Making a segmentation of the market share we get 19 programs that were analyzed in terms of social impact, product revenues and the financial possibilities, three of them will be expanded, eleven developed, 3 harvested and 2 of them will end.

3.3. Analysis of competitive programs

The following analysis is required to be made for the adoption of strategic decisions is the competitiveness of the programs provided. To do this we will examine each program individually according to the main competitors, critical success factors and environmental forces. As a result we will obtain a preliminary picture of our position against key competitors.

Analysis of the bodily hygiene programme competitiveness.

Given that there is no competitor in the local market and we can not speak about competition for this program.

Table 5

Analyses of program competition of beauty services

	Influence degree	Hair saloon Melisa		Hair saloon Eclips		Hair saloon FAF	
		rank	score	rank	score	rank	score
Quality	30%	1	0.3	2	0.6	3	0.9
Price	40%	2	0.8	1	0.4	3	1.2
Fashion	20%	1	0.2	3	0.6	2	0.4
Technology	10%	1	0.1	2	0.2	3	0.3
TOTAL	100%	1.4		1.8		2.8	

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Note a dominant position of this segment is this market analysis. The main competitors are Eclips Hairdresser, Hairdresser and FAF.

Table 6

Analysis of people transportation programme the competitiveness

	Influence degree	Taxi companies		RATUC		Transport FAF	
		rank	score	rank	score	rank	score
Quality of transportation	20%	3	0.6	1	0.2	2	0.4
High price	30%	1	0.3	3	0.9	2	0.6
Domain regulations	10%	1	0.2	3	0.3	1	0.1
Cost of fuel	40%	3	1.2	1	0.4	2	0.8
TOTAL	100%	2.3		1.8		1.9	

The position of transport service program of the foundation is being in the second position.

The competitiveness analysis of healthcare program and program to educate young mothers: There is no competitor and therefore we can not speak about competitiveness at this stage.

Table 7

Competitiveness analysis of building wooden houses program

	Influence degree	SC Maritrans		SC EcoCasa		FAF	
		rank	score	rank	score	rank	score
Price	40%	3	1.2	2	0.2	1	0.4
Quality of work	40%	1	0.4	3	0.9	2	0.8
Technological innovations	15%	1	0.15	2	0.3	3	0.45
Sorce for materials	25%	1	0.25	2	0.4	3	0.75
TOTAL	100%	2		2.8		2.2	

This program has a good position compared to competition, being on the secondary position.

3.4. Calculating the market size for services offered by „Family help” Foundation

The computed market sizes, based on financing sources, for body hygiene services, are listed in Table 8.

Table 8

Calculating the market size for body hygiene services

Financing sources	Potential users	Benefits and limitations of resources	Annual available income (Lei)
Income from salaries	30	6000/pers/year	180000
Income from seasonal activities	300	2000/pers/year	600000
Donations	20	1200/pers/year	24000
Other incomes	100	48/pers/an	4800
TOTAL			808800

The market sizes for beauty services are presented in Table 9.

Table 9

Calculating the market size for beauty services

Financing sources	Potential users	Benefits and limitations of resources	Annual available income (Lei)
Income from salaries	1000	1200/pers/year	12000000
Bank Interests	200	100/pers/year	20000
School allowance	500	54/pers/year	270000
TOTAL			12290000

The market sizes for person transportation services are included in Table 10.

Table 10

Calculating the market size for person transportation service

Financing sources	Potential users	Benefits and limitations of resources	Annual available income (Lei)
Salaries	10	1200/pers/year	12000
Incomes from recycling	300	1000/pers/year	300000
School allowance	20	540/pers/year	10800
Other incomes	300	50/pers/year	15000
TOTAL			325800

The market sizes for medical assistance services are included in Table 11.

Table 11

Calculating the market size for medical assistance services

Financing sources	Potential users	Benefits and limitations of resources	Annual available income (Lei)
Social insurance	100	500/pers/year	50000
Donations	300	10/pers/year	3000
Other incomes	30	200/pers/year	10000
TOTAL			63000

The market sizes for education of young mothers services are included in Table 12.

Table 12

Calculating the market size for education of young mothers service

Financing sources	Potential users	Benefits and limitations of resources	Annual available income (Lei)
Donations	40	500/pers/year	20000
Other incomes	40	10/pers/year	400
TOTAL			20400

Finally, Table 13 presents the market size for the wood house construction program:

Table 13

Calculating the market size for wood house construction program

Financing sources	Potential users	Benefits and limitations of resources	Annual available income (Lei)
Salaries	1500	12000/pers/year	1800000
Credits	200	10000/pers/year	2000000
Inheritance	20	9000/pers/year	180000
Other incomes	50	500/pers/year	25000
TOTAL			4005000

Following the application of the model Jerr Boschec model, we can draw the following conclusions:

For the hygiene program offered to the members of the Roma community near the landfill waste of Cluj-Napoca we propose an extension of the program considering the potential of this market, and the high social need the program is

fulfilling. The main measures needed for expansion are as following: creating more cabins with showers for both men and women, providing social workers to work in the community and based on an established program to facilitate the transportation of the disabled and/or old people to have access at this type of services. Funds used to support this project for expansion will be provided by the revenue due to increased users, donations, grants and surpluses provided by other programs.

The beauty services cover a modest financial and social need. Based on the conducted analyses and the social needs met, we recommend the termination of the program and to redirect its resources to other programs, or start a similar program.

Program of transportation services for members of Roma community near the landfill waste of Cluj-Napoca is a program that has to be extended, since it fulfills a large social need, based on the results of all groups, after segmentation criterion based on „age” criteria of the population studied and the significant financial income that could provide. Market value is high enough and there is no competition.

Healthcare service based on our study it does not have a positive income and a high market value. There is no competition but there is a critical social need in particular in the area and in the community. The proposal is to develop the program by finding additional sources of financing. If in future will provide an income from it should be considered to extend.

Program to educate mothers raising young children, refers strictly to mothers aged 11-20 years. The program has no competitors, financial results or market value, but covers a larger social need. Thus, this program should be developed, using resources from other sources such as donations, grants or financial surplus provided by other programs running.

The construction of wooden houses for young families in rural areas in the immediate vicinity of Cluj-Napoca, seems to be the most viable program it covers a real social need in the housing crisis in the Romanian market and also in the area of Cluj-Napoca. Housing prices made from traditional row material have greatly increased and many young families no longer afford to purchase a house. The Foundation can build houses at prices up to 50% lower than those made from traditional materials. Given the need to cover a social demand, the market for this product recommends expanding the program. Enlargement can be achieved by increasing the number of houses built per year which will indirectly serve a social need that of jobs creation.

4. Conclusions

The classic non-profit organizations face many difficulties imposed by financial restrictions which affect their capacity to meet the social needs. Social entrepreneurship is a phenomenon that comes to solve the problems imposed by the classical model of a traditional social organization. The biggest challenge for social entrepreneurship today is the lack of support offered by government, lack of regulation and ignorance vis-à-vis this area's potential, in developing countries. Therefore, the

imposition of regulations for promoting sustainable social entrepreneurship as a viable way of doing business for social cases, is a need for any economy, because of the numerous advantages that such a model offers. This step is essential to find ways to promote entrepreneurship through instruments such as tax incentives and laws, including reviewing the tax laws, elimination of burdensome regulations, and other inefficient practices that hinder the social entrepreneurs.

Another necessity is to encourage business in order to recovery the competitive advantages offered by commercial firms working with social entrepreneurs. Attracting resources necessary for carrying out a sustainable business is an important issue that social entrepreneurs must face. No social entrepreneur can do miracles in a short time, any creative process requires time and resources.

Social organizations must have a strategic vision regarding competitive of profitable activities to support social causes in a self-sustainable manner and to put as well an emphasis of it to increase the impact on employees, the environment, customers and community. The model of Jerr Boschee has the main reason to increase the efficiency an efficacy of social organizations in order to promote to promote social cause but in a more sustainable way. This will be possible by developing programs that has a self-sufficiency and self-sustainable status (Borza et al., 2007), because then they will be able to sustain as well social programs that have a grate social impact but are not providing any type if income. Thus, non-profit organizations has to develop certain social programs even though some of them can not have financial results and they don't have to give up to identify new sources to enable them functioning.

This model brings many advantages such as: increase the impact and empowerment the one who pays, eliminate the stigma of "assisted" NPO, improve public perceptions about the quality and service. There could bring some disadvantages to such as some negative public perception, the decreasing of other sources of income (volunteering, donations, sponsorships) etc.

All these changes require a new type of mentality, a new way of doing things and a new type of managers. A non-profit organization should consider that there is a new management vision for social organizations that increase the performance and if followed appropriate can increase the quality of social and economical outcome.

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